

Our view on next week's key events

Discover what ING analysts are looking for next week in our global economic calendars

In this bundle



Key Events | United Kingdom...

Key events in developed markets next week

We'll be keeping an eye out for March CPI data in the US and UK GDP figures next week

By James Knightley and James Smith



Asia week ahead | China | India...

Asia week ahead: Important inflation reports and key central bank decisions

Inflation from regional economies will be in focus next week alongside policy decisions in the Philippines, Korea and Singapore

By Lynn Song , Min Joo Kang and Nicholas Mapa



Key Events | Hungary | Poland

Key events in EMEA next week

Poland's current account surplus and Hungarian inflation figures are set to be the key highlights in a quieter week ahead in the EMEA region

By Adam Antoniak , Peter Virovacz and Frantisek Taborsky

Key events in developed markets next week

We'll be keeping an eye out for March CPI data in the US and UK GDP figures next week



Source: Shutterstock

✓ US: Core CPI print to be 0.3% MoM

The highlight over the week ahead in the US will be March consumer price inflation data. This has been running consistently hot in recent months, with housing components remaining particularly sticky while sharply higher insurance costs and portfolio management fees have been contributing to elevated supercore readings. We expect the core CPI print to be 0.3% month-on-month versus 0.4% in February – but this is still around double the 0.17% MoM rate that would, over 12 months, bring the YoY rate down to the 2% target.

There still remains a lot of uncertainty, though. The ISM prices paid, the NFIB prices charged and the employment cost index all suggest that price pressures will soften meaningfully through the year. Still, the Fed is worried about “residual seasonality” in some components – such as one-off annual insurance price hikes continuing to boost inflation. Uncertainty surrounding the all-important housing rent components is further clouding the outlook. In January, the BLS reweighted the components, so single-family homes are now more significant, and rent for these is running faster than for apartments. Due to the construct of the index and the methodology used, it could take another couple of months before we see the 0.2% MoM readings that the Fed wants to see. As such, the prospect of a June Federal Reserve cut will remain in the balance.

✓ UK: February UK GDP figures to point to first quarter rebound

The UK economy entered a technical recession at the end of last year, albeit a shallow one. But a rebound in monthly GDP in January is likely to be followed by a small 0.1% gain in February, and that suggests we're heading for positive overall first quarter growth. These figures have admittedly been fairly volatile recently, but we do expect a gradual recovery in UK output this year. We think the majority of the mortgage squeeze is behind us in terms of the macro impact, while positive real wage growth should help consumer spending.

For the Bank of England though, this isn't what will determine the timing of the first rate. Instead, that'll be down to services inflation and wage growth, both due later this month. It's a close call between a June and August rate cut – though for now, we're narrowly sticking with the latter.

Key events in developed markets next week

| Country | Time | Data/event | ING | Survey | Prev. |
|---------------------------|------|------------------------------------------------|---------|---------|------------|
| Monday 8 April | | | | | |
| Germany | 0700 | Feb Industrial Output (MoM%/YoY%) | 0.07 | / | 1.00/-5.35 |
| | 0700 | Feb Exports | -4 | | 6.3 |
| | 0700 | Feb Imports | -3 | | 3.6 |
| | 0700 | Feb Trade Balance | 21 | | 27.5 |
| France | 0745 | Mar Reserve Assets Total | - | | 225601 |
| Switzerland | 0645 | Mar Unemployment Rate Adjusted | - | | 2.2 |
| Tuesday 9 April | | | | | |
| France | 0745 | Feb Trade Balance | - | | -7.388 |
| Netherlands | 0530 | Mar CPI (MoM%/YoY%) | - | | 0.7/2.8 |
| Wednesday 10 April | | | | | |
| US | 1330 | Mar Core CPI (MoM%/YoY%) | 0.3/3.7 | 0.3/3.7 | 0.4/3.8 |
| | 1330 | Mar CPI (MoM%/YoY%) | 0.4/3.5 | 0.4/3.5 | 0.4/3.2 |
| Canada | 1445 | BoC Rate Decision | 5.00 | 5.00 | 5.00 |
| Norway | 0700 | Mar CPI (MoM%/YoY%) | -/- | / | 0.2/4.5 |
| | 0700 | Mar Core Inflation (MoM%/YoY%) | -/- | / | 0.4/4.9 |
| Netherlands | 0530 | Feb Manufacturing Output (MoM%) | - | | -4.7 |
| Greece | 1000 | Feb Industrial Output (YoY%) | - | | 10.3 |
| | 1000 | Mar CPI (YoY%) | - | | 2.9 |
| Thursday 11 April | | | | | |
| US | 1330 | Initial Jobless Claims | 215 | - | 221 |
| | 1330 | Continuing Jobless Claims | 1810 | - | 1791 |
| | 1330 | Mar PPI (MoM%/YoY%) | 0.4/2.3 | 0.3/- | 0.6/1.6 |
| | 1330 | Mar core PPI (MoM%/YoY%) | 0.2/2.3 | 0.2/- | 0.3/2.0 |
| Italy | 0900 | Feb Industrial Output (MoM%/YoY%) | 0.5/- | / | -1.2/-3.4 |
| Norway | 0700 | Feb GDP Month | - | | 0 |
| | 0700 | Feb GDP Month Mainland | - | | 0.4 |
| Eurozone | 1315 | Apr ECB Refinancing rate | 4.5 | 4.5 | 4.5 |
| | 1315 | Apr ECB Deposit rate | 4 | 4 | 4 |
| Friday 12 April | | | | | |
| US | 1500 | Apr University of Michigan Sentiment Prelim | 80 | 80 | 79.4 |
| | 1500 | Apr University of Michigan Conditions Prelim | 82.5 | | 82.5 |
| | 1500 | Apr University of Michigan Expectations Prelim | 78 | | 77.4 |
| Germany | 0700 | Mar CPI Final (MoM%/YoY%) | 0.4/2.2 | / | 0.4/2.5 |
| France | 0745 | Mar CPI (MoM%/YoY%) | - | | 0.2/2.3 |
| UK | 0800 | Feb GDP Estimate (MoM%) | 0.1 | / | 0.2 |
| Spain | 0800 | Mar CPI (MoM%/YoY%) | -/- | / | 0.8/3.2 |
| Sweden | 0700 | Mar CPI (MoM%/YoY%) | 4.3/0.4 | / | 0.2/4.5 |
| | 0700 | Mar CPIF (YoY%) | 2.5 | / | 2.5 |
| Netherlands | 0530 | Feb Trade Balance | - | | 12.568 |

Source: Refinitiv, ING

Authors

James Knightley

Chief International Economist

james.knightley@ing.com

James Smith

Developed Markets Economist

james.smith@ing.com

Asia week ahead: Important inflation reports and key central bank decisions

Inflation from regional economies will be in focus next week alongside policy decisions in the Philippines, Korea and Singapore



China inflation likely to moderate

China will publish its CPI inflation data next week, and a decline in food prices post-Chinese New Year will likely lead to inflation pulling back to around 0.4% year-on-year. Trade data will also be released on Friday. Positive momentum from the first few months, typical seasonality, and a recovery of export orders in the March PMI will likely lead to sequential solid growth – but YoY numbers may look poor due to a strong March 2024, potentially dropping to negative levels again before recovering in the next few months.

The credit data and FDI data may be published next week as well. Here, we expect a rebound of aggregate financing and RMB loans after the holiday effects caused weak February data. Given the strength of last year's data in the first quarter, YoY growth numbers may be flat or negative. We are still looking to see if the 50bp RRR cut that took effect in early February will have any positive impact on lending.

Inflation to tick higher in India

Indian inflation for March will rise slightly from 5.1% YoY to 5.35% following a 0.5% month-on-month increase, as seasonal vegetable prices have pushed slightly higher after falling in recent months. This remains within the Reserve Bank of India's 2-6% target, but in the upper half of that range, and is one reason that the central bank isn't going to be in any hurry to start easing until the Federal Reserve begins to take US rates lower.

Taiwan inflation to dip

March CPI numbers will be released on Tuesday. We expect inflation to moderate in March to around 2.5% YoY, but this relief will be short-lived, as an electricity price hike in April will raise price pressures again. Trade data will be published on Wednesday, where we are looking for growth to pick up in both exports and imports.

BSP widely expected to extend pause

The Bangko Sentral ng Pilipinas (BSP) rescheduled its policy meeting to the coming week reportedly to wait for inflation data. Inflation has edged closer to the upper end of the BSP's inflation target, which should mean that the central bank will likely retain policy rates at restrictive levels. We expect the BSP to remain sidelined for at least the first half of the year, with any potential easing likely only following a potential Fed rate cut.

Singapore's first quarter GDP and MAS

Singapore reports first quarter GDP in the coming week, with economic output expected to gain a sizeable boost due to the influx of tourists related to a concert series. We expect first quarter GDP growth to hit 2.8% YoY, or roughly 0.15% up from the previous quarter. Meanwhile, the Monetary Authority of Singapore (MAS) will meet to decide on policy, and we expect it to retain all settings given the recent flare up in inflation.

BoK on hold again

The Bank of Korea meets on Friday. With the latest inflation and inflation expectations above 3% and IP and exports holding up fairly well, the BoK is expected to keep the policy rate at 3.5%. The central bank is likely to downplay higher-than-expected inflation, as this was mainly due to a temporary issue on the supply side.

South Korea will hold legislative elections on 10 April. Recent polls suggest that it will be a neck-and-neck race between the two major parties, as there is still a large number of undecided voters. Currently, the progressives (opposition party) hold a large number of seats in parliament, but in the last two elections – presidential and local – the conservatives won.

Japan's labour cash earnings could bounce back

Labour cash earnings are a key data release for Japan next week and are expected to have grown by 3% in February. We expect a more meaningful rebound in cash earnings from April and May as the newly agreed wage negotiations kick in.

Key events in Asia next week

| Country | Time (GMT+8) | Data/event | ING Survey | Prev. |
|---------------------------|--------------|------------------------------|------------|-----------|
| Monday 8 April | | | | |
| Japan | 0050 | Feb Labour Cash earnings | 3 | 2 |
| Philippines | 1500 | Policy Interest Rate | 6.5 | 6.5 |
| Tuesday 9 April | | | | |
| Taiwan | 0900 | Mar CPI (YoY%) | 2.5 | 3.08 |
| Wednesday 10 April | | | | |
| Japan | 0050 | Mar M2 Money Supply (YoY%) | - | 12497016 |
| China | - | Mar M2 Money Supply (YoY) | - | 8.7 |
| | - | Mar FDI (YTD) | - | -19.9 |
| Taiwan | 0900 | Mar Imports | -1.7 | -17.8 |
| | 0900 | Mar Exports | 11.2 | 1.3 |
| | 0900 | Mar Trade Balance | 8.69 | 7.89 |
| Thursday 11 April | | | | |
| China | 0230 | Mar CPI (YoY%) | 0.4 | 0.7 |
| Philippines | 0200 | Feb Exports (YoY%) | 9.4 | 9.1 |
| | 0200 | Feb Imports (YoY%) | 13.8 | -7.6 |
| | 0200 | Feb Trade Balance | -4450 | -4221 |
| Friday 12 April | | | | |
| China | 0400 | Mar Exports | -3.6 | 7.1 |
| | 0400 | Mar Imports | 1.3 | 3.5 |
| | 0400 | Mar Trade Balance | 73.6 | 125.16 |
| India | 1300 | Mar CPI Inflation (YoY%) | 5.35 | 5.09 |
| | 1300 | Feb Industrial Output (YoY%) | - | 3.8 |
| | - | Mar Fiscal Deficit - USD bn | - | 18.71 |
| | - | Mar Imports - USD bn | - | 60.11 |
| | - | Mar Exports - USD bn | - | 41.4 |
| Singapore | 0100 | Q1 GDP Flash (QoQ%/YoY%) | 0.15/2.8 | / 4.8/2.2 |
| South Korea | 0000 | Mar Unemployment Rate | 2.7 | 2.6 |
| | 0200 | Apr Bank of Korea Base Rate | 3.5 | 3.5 |

Source: Refinitiv, ING

Authors

Lynn Song

Chief Economist, Greater China

lynn.song@asia.ing.com

Min Joo Kang

Senior Economist, South Korea and Japan

min.joo.kang@asia.ing.com

Nicholas Mapa

Senior Economist, Philippines

nicholas.antonio.mapa@asia.ing.com

Key events in EMEA next week

Poland's current account surplus and Hungarian inflation figures are set to be the key highlights in a quieter week ahead in the EMEA region



Source: Shutterstock

✓ Poland: Current account surplus from strong trade in goods

Current account (Feb): €797m

We forecast a €797m surplus for Poland's current account in February 2024, but it will be smaller than in February 2023 (€147m) amid a deterioration in the foreign income balance. As a result, the cumulative 12-month current account surplus will narrow to 1.3% of GDP, down from 1.4% of GDP after January this year. Still, we expect a solid surplus in trade in goods, and we hope to see positive annual dynamics for both exports and imports.

Nevertheless, net exports are projected to contribute negatively to economic growth in 2024; the anticipated rebound in imports is expected to be stronger than improvements seen in exports. The former will be fuelled by surging domestic demand and buoyant consumption, while the latter is likely to be curbed by weak external demand, particularly from Germany.

✓ Czech Republic: Inflationary pressures continue to fall

Headline inflation fell to 2% in February, hitting the central bank's target. For March, we expect inflationary pressures to weaken further from 0.3% to 0.0% MoM. This should translate into a slight

decline from 2.0% to 1.9% YoY. Food prices, energy prices, and – due to seasonality – recreation and culture prices headed lower in March. The latter in particular was the main reason for higher core and service inflation in previous months. We expect the downward movement in this item to outpace the normal seasonal movement and help push service inflation down as well.

Household energy prices have also seen a significant decline, confirmed by energy companies announcing tariff cuts for March and April. However, it is unclear what proportion of households will be affected and we therefore see more downside risks here. On the other hand, fuel, clothing and transport prices rose in March. The government also decided to increase the price of motorway vignettes since March (+0.08pp).

✓ Hungary: March inflation to decelerate to 3.6%

In Hungary, we will see the latest budget figures for March as well as the March inflation print. On the fiscal side, we expect another monthly deficit but a much more consolidated figure than in the previous month. Some one-off burdens on the expenditure side will be taken off the books, and the revenue side is expected to improve as domestic demand slowly but surely strengthens. On the price side, we see another strong monthly repricing, with the third 0.7% print in a row.

Services will remain the main driver of monthly inflation, especially holiday packages and telecommunications services. On top of that, further increases in fuel prices will also add to inflationary pressure. Looking at the year-on-year rate, we see a further slight deceleration to 3.6% due to the still relatively high base. The lion's share of annual price increases (around 70%) will come from services inflation. The slight deceleration is the result of opposing forces, with fuel and household energy prices contributing positively to the change from February to March, while a change in food, alcoholic beverages and tobacco prices will weigh on the year-on-year reading.

Key events in EMEA next week

| Country | Time | Data/event | ING | Survey | Prev. |
|---------------------------|----------|-----------------------------------|---------|---------|-----------|
| Monday 8 April | | | | | |
| Turkey | 0800 Feb | Industrial Production (MoM%/YoY%) | - | | 0.03/1.06 |
| Czech Rep | 0800 Feb | Industrial Output (YoY%) | - | | 0 |
| | 0800 Feb | Trade Balance | - | | 3.7 |
| Tuesday 9 April | | | | | |
| Czech Rep | 0800 Mar | Unemployment Rate | - | | 4 |
| Hungary | 1000 Mar | Budget Balance | -550 | | -1758 |
| Ukraine | 1330 Mar | CPI (MoM%) | - | | 0.3 |
| Wednesday 10 April | | | | | |
| Russia | 1700 Mar | CPI (MoM%/YoY%) | 0.4/7.7 | 0.4/7.7 | 0.7/7.7 |
| Czech Rep | 0800 Mar | CPI (MoM%/YoY%) | 0.0/1.9 | / | 0.3/2 |
| Thursday 11 April | | | | | |
| Russia | 1400 Feb | Foreign Trade | - | | 7.838 |
| Hungary | 0730 Mar | Core CPI (YoY%) | 4.1 | | 5.1 |
| | 0730 Mar | CPI (MoM%/YoY%) | 0.7/3.6 | | 0.7/3.7 |
| Romania | 0700 Mar | CPI (YoY%) | 6.7 | | 7.23 |
| Serbia | 1100 Apr | Benchmark Interest rate | 6.5 | | 6.5 |
| Friday 12 April | | | | | |
| Poland | 1300 Feb | Current Account Balance (mn €) | 797 | 780 | 1179 |
| Czech Rep | 0900 Feb | Current Account Balance | - | | 6.85 |
| Kazakhstan | 0700 Mar | Base Interest Rate | 14.50 | | 14.75 |
| Serbia | 1100 Mar | CPI (MoM%/YoY%) | 0.4/5.1 | / | 0.6/5.6 |

Source: Refinitiv, ING

Authors

Adam Antoniak

Senior Economist

adam.antoniak@ing.pl

Peter Virovacz

Senior Economist, Hungary

peter.virovacz@ing.com

Frantisek Taborsky

EMEA FX & FI Strategist

frantisek.taborsky@ing.com

Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies)*. The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit <http://www.ing.com>.